

## **Appendix 5. Waikiki (Island of Oahu) Focus Site Report**

## Waikiki (Island of Oahu) Focus Site Report

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## 1. CONTEXT

A site map and a description of the Waikiki Focus Site and recreational activities occurring there are given below. This is followed by a description of commercial ocean recreation operations occurring at Waikiki. City and County ordinances and state regulations pertaining to commercial ocean recreation activities are then summarized.

### 1.1 Site Description and Recreational Activities Occurring in Waikiki




Waikiki is an icon beach and receives very high use. One of its legacies is that it was home to Duke Kahanamoku, the father of International Surfing and the Official Ambassador of Aloha. Surfing, designated as the official individual sport of the State (HRS §5-13.5) is very much alive in Waikiki today. The primarily gentle ocean conditions, small waves, and sandy nearshore substrate are ideal for beginning surfers, who travel from all over the world to visit Waikiki. There are many mixed uses occurring, including catamarans coming in and landing on the beach in front of the Sheraton Waikiki and other nearby hotels in areas heavily used by swimmers and surfers, and both rough water swimmers and fishermen in the same channel offshore Sans Souci Beach. Other recreational uses include sunbathing, boogie boarding, beach volleyball, outrigger canoe rides, windsurfing, kiteboarding, parasailing, and jet skiing. Many types of boats use the nearby area, including sailboats, small power boats, and fishing boats. There is very little snorkeling and SCUBA diving in the area. Waikiki has a good safety record, so recreational users have, in large part, found ways to safely coexist.



The beach parks included in this study are Duke Paoa Kahanamoku Beach Park, Kuhio Beach Park, Kapiolani Beach Park, and Diamond Head Beach Park (see Figure 1).

[illegible]

0 0.5 1 2 Miles

-  Commercial thrill craft  
 Parasail  
 Vessel speed

- 

- 

2

Facilities provided at these City and County beach parks include restrooms, showers, picnic tables, lifeguard stations, and in some cases snack bars, parking, and equipment storage areas. There is a limited amount of beach space in Waikiki, and beach erosion continues to occur. A beach nourishment/replenishment demonstration project showcasing the technology of recycling existing sand is occurring at Kuhio Beach, but not 'Ewa of the police station. Duke Kahanamoku Lagoon beach will soon be added (in large part with the help of the Hilton Hawaiian Village), which will provide residents and visitors with additional beach space.

As shown on Figure 1, there are two Marine Protected Areas (MPAs) in Waikiki. One is the Waikiki Marine Life Conservation District (MLCD), which encompasses the nearshore waters between the 'Ewa edge of the Kapahulu groin and the 'Ewa wall of the Natatorium. The MLCD regulates taking of any marine life (fish, algae, coral and "live rock") but does not regulate commercial and non-commercial activities that are deemed non-extractive, such as swimming, snorkeling and SCUBA diving. The second MPA is the Waikiki-Diamond Head Shoreline Fishery Management Area (FMA). The FMA is adjacent to the MLCD, encompassing the nearshore waters from the shore out to 500 yards seaward (or to the edge of the reef if one occurs beyond 500 yards) from the 'Ewa wall of the Natatorium to the Diamond Head Lighthouse. The DLNR closes the FMA to fishing in odd-numbered years and re-opens the area for fishing in even-numbered years. The purpose of opening and closing the FMA to fishing every other year is to decrease overall fishing pressure, and to allow fish populations to recover during closures. The waters Diamond Head of Waikiki are part of the Hawaiian Islands Humpback Whale National Marine Sanctuary (see Figure 1). Activities occurring in sanctuary waters include research, education, and long-term monitoring for the endangered humpback whale and its habitat.

Four mooring areas are in place 'Ewa of the Waikiki Focus Site, as shown in Figure 2. These moorings allow boats to tie up securely without the need for dropping an anchor (one of the leading causes of coral damage in Hawaii).

## **1.2 Commercial Ocean Recreation Operations in Waikiki**

Waikiki is highly commercialized, and a number of commercial ocean recreation operations occur there, including surf lessons, outrigger canoe rides, catamaran tours, and beach equipment rentals. The two types of operations the Focus Group participants were most interested in were concessions and surf schools; they are described here in more detail.

### **Concessions**

The City and County of Honolulu, Department of Enterprise Services has four concessions in Waikiki. Three are at Kuhio Beach Park and one is across from the Honolulu Zoo near the Kapahulu Groin (seawall). These concessionaires rent chairs, boogie boards, float "noodles", and other beach equipment, and offer surf lessons and outrigger canoe rides. The state has one concession: the Hilton Beach Concession (at Duke Kahanamoku Beach), which is on a five-year lease issued through DLNR's Land Division. This concessionaire rents chairs, boogie boards and other beach equipment, and offers surf lessons.





protocols in place, such as mandating that all students and instructors wear bright neon orange rash guards so they are more visible in the water, can more easily stay together, etc. They also monitor their student-to-instructor ratio (one instructor for every two students, then another instructor is added for between three to eight students), and have a 1:1 ratio for in-water surf instruction (all students except the one being taught to catch the wave are asked to wait in the water back at the safety line—then there is a smooth, orderly rotation between students).

### **1.3 Regulation of Commercial Ocean Recreation Activities**

#### **City and County Ordinances**

The City & County of Honolulu, Department of Parks and Recreation (DPR) has jurisdiction over the land uses at each of the four county beach parks in the study area. As detailed in the Kailua Focus Site write up:

- No money for commercial tours can be exchanged on park land,
- Permits are required for commercial activities designed for profit,
- Storage of outrigger canoes is permitted at city parks, and
- Fees for the use of park facilities for commercial activities apply to commercial scuba diving, snorkeling, and filming.

Note that the ordinances relating to windsurfing apply only to Kailua Beach Park.

#### **State Rules and Regulations**

The State of Hawaii DLNR, Division of Boating and Ocean Recreation (DOBOR) has jurisdiction over the waters of Waikiki, up to the high wash of the wave. Within its jurisdiction DOBOR regulates operators of commercial vessels, water craft, and water sports equipment (this includes surf instructors). Both commercial and non-commercial uses are regulated in the South Oahu Ocean Recreation Management Area (ORMA).

#### **Waikiki Beach Rules**

Chapter 255 of the Hawaii Administrative Rules, Part III (Ocean Waters, Navigable Streams and Beaches), states the rules governing use of Waikiki Beach: per §13-255-6, “(a) Waikiki Beach is open to public use for sunbathing, foot traffic, swimming, and other activities which, when engaged in, will not unduly disrupt others from enjoying the beach. (b) Business operations, soliciting prohibited. No person shall engage in, conduct, transact, or solicit business of any kind on or at Waikiki Beach. (c) Storage, parking, and display prohibited. No person shall store, park, moor, place, or display any thing or personal property on or at Waikiki Beach for the purpose of engaging in, conducting, transacting, or soliciting business of any kind; provided that an outrigger canoe or sailing catamaran registered by the department pursuant to Hawaii ocean waters and shores rules may be placed, moored, or anchored below the mean high water mark. (d) Structures and obstructions prohibited. No person shall construct, erect, place, deposit, or set up any building, structure, booth, wall, obstruction, or any improvement of any kind, whether temporary, portable, or permanent in nature, on or at Waikiki Beach, except such as may be approved by the department for sporting events, public safety, or for beach construction, repairs, preservation, or cleaning. In addition to any other available remedies, the department may remove, raze, or demolish the same wherever found at Waikiki Beach. (e) Ball, etc., playing and kite flying prohibited. No person shall throw,

cast, catch, kick, or strike any type of ball, Frisbee, or other similar object while on or at Waikiki Beach.”

#### Blue Card Surf Instructor Licenses

Blue Card Surf Instructor Licenses are issued by the DLNR, DOBOR. An instructor holding a blue card license is allowed to operate anywhere in Hawaii, even though the card itself may have a specific area written on it (such as Waikiki, West Hawaii, etc.).

#### Commercial Operator Permits and Equipment Registration and Fees

Rules pertaining to the regulation of ocean-based commercial operations are found in Chapter 251 “Waikiki and Kaanapali Ocean Waters” and Chapter 256 “Ocean Recreation Management Rules and Areas” of the Hawaii Administrative Rules, Part III. Section 13-256-3 specifies that “All operators of commercial vessels, water craft or water sports equipment shall apply for a commercial operator permit to be issued by the department” and §13-256-4 specifies that “All commercial vessels, water craft or water sports equipment shall be registered with the department for commercial use in compliance with Sections 13-251-36 to 13-251-52 [Subchapter 5: Registration].” The process for applying for a commercial operator permit involves the permittee having valid insurance and listing the state as an additionally insured. Per §13-256-6 these commercial use permits are non-transferable. Catamarans, outrigger canoes, surfboards, sailboards, and water sports equipment being used for commercial purposes must be registered with the department. Registered equipment must be identified (by a name, number, or both) and may also require an ORMA decal. Equipment registration must be renewed annually, and registration expires upon transfer of ownership. Per §13-253-1, registration fees are \$5.00 for each catamaran or canoe (renewals are \$3.50) and ten cents for each surfboard (also ten cents for renewals). Permit fees (and renewals) are \$2.00.

#### ORMA Use Zones

ORMA use zones are designated both for the overarching South Oahu ORMA (Chapter 256) as well as for Waikiki restricted areas (Chapter 251). General provisions for the Ocean Recreation Management Plan include that “thrill craft operators shall not exceed a speed of slow-no-wake when within 300 feet of the shoreline” (per §13-256-17), and that “no parasailing vessel shall be engaged in parasailing activities while it is within 300 feet of the shoreline or any marked channel entrance” (per §13-256-19). Section 13-256-20 states that windsurfing activity is governed by the following: “(1) Ingress/egress to the shoreline shall be made by the most direct route dictated by wind conditions. (2) Maneuvering shall be in accordance with rules of the road pertaining to sailing vessels. (3) Sailboard operators shall approach no closer than 200 feet to a dive flag, indicating dive activity in progress.”

The South Oahu ORMA includes restricted areas for Diamond Head, Waikiki Ocean Waters, and the South Shore Parasail Area (see Figure 1). Per §13-256-90, the Diamond Head Restricted Area is designated for surfboards, sailboards, and manually propelled vessel, and is off limits to motorized vessels. Per §13-256-91, there is a slow-no-wake speed zone for Waikiki ocean waters (shown on Figure 1 as horizontal pale yellow lines) and two separate commercial thrill craft zones (shown on Figure 1 as two pink circles). Commercial operator permittees are not allowed to operate more than six rented thrill craft within their assigned area at any one time. The South Shore Parasail Area (§13-256-92) is shown on Figure 1 as horizontal dark blue lines. No more than four commercial permits are authorized in this area, and no permittee is allowed to operate more than one

vessel with a parasail aloft at any one time. Parasails may not operate within 1,000 feet of any channel entrance buoys.

In Chapter 251, use zones are specified for Waikiki restricted areas in §13-251-57. Five use zones (A, B, C, D, and E) are specified (see Figure 1). In Zone A no person is allowed to navigate or moor a vessel, with the exception of outrigger canoes operated by an organized canoe club, sailing catamarans (which may temporarily use their motor), and manually propelled outrigger canoes. Zone B restrictions are very similar to Zone A restrictions, the only difference being that, in addition, no anchoring is allowed (with a few exceptions). Zone C limits the use of surfboards in addition to vessels. Paipo boards not in excess of four feet in length and without skegs or any other fin-like projections protruding from the bottom are allowed. Zone D has similar restrictions to Zones A and B. The only vessels allowed to operate in Zone D are manually propelled outrigger canoes being used by canoe clubs or for commercial operations. Zone E is designated as a swimming, bathing, and wading zone. No fishing is allowed from the Kuhio seawall to the shoreline between the Kapahulu Groin and the groin on the 'Ewa side.

#### ORMA Recreation Advisory Committees

According to §13-256-3 (b), "The department shall establish and maintain a Recreation Advisory Committee of not less than three for each recreation management area as defined in this chapter to review and make recommendations for commercial operator permit to be issued by the department as required by this section. The department shall consider the recommendations of the Advisory Committee, but is not bound by the recommendations. Members of the Recreation Advisory Committee shall have not less than three years experience in their area of specialty." An ORMA Advisory Group composed of five members is already established for Waikiki.

#### Commercial Activities

In addition to the DOBOR rules listed above, there is a Land Division rule pertaining to commercial activities. All lands that are unencumbered fall under the jurisdiction of the Land Division. Per §13-221-35, commercial activities are regulated as follows: "No person shall engage in commercial activities of any kind without a written permit from the board or its authorized representative." The definition of "commercial activity", given in §13-221-2, is "...the use of or activity on state land for which compensation is received by any person for goods or services or both rendered to customers or participants in that use or activity. Display of merchandise or demanding or requesting gifts, money, or services, except as allowed by chapter 13-7, shall be considered commercial activity. Commercial activities include activities whose base of operations are outside the boundaries of the unencumbered state lands, or provide transportation to or from the unencumbered state lands."

## **2. PRIMARY ISSUES OF CONCERN**

According to Waikiki Ocean Recreation Focus Group participants (hereafter referred to as "Focus Group" participants) the primary issues needing to be addressed were mooring buoy capacity, user conflicts and safety issues, surf school regulation, and permit issuance. Summaries of these concerns are provided below.



The Waikiki Ocean Recreation Focus Group, facilitated by CSV Consultants, is comprised of individuals representing the following agencies, organizations, and businesses:

State Government: Office of Hawaiian Affairs, DLNR (Office of the Chairperson, Division of Aquatic Resources, Division of Boating and Ocean Recreation, Division of Conservation and Resources Enforcement, Office of Conservation and Coastal Lands, and Land Division)

County Government: City and County of Honolulu (Enterprise Services)

Non-Profits: Community Conservation Network, Waikiki Neighborhood Board, Ala Wai Watershed Association, and Waikiki Hawaiian Civic Club

Businesses: Waikiki Beach Activities, Ltd., Hawaiian Hot Spots Surf School, Pure Hawaiian Surf Academy, Beach Activities of Maui, Hawaii Hotel and Lodging Association, Waikiki Improvement Association, and Tetra Tech

Others: Concerned citizens and independent consultants

## **2.1 Resource Conservation**

### Mooring Buoy Capacities

The status of day use moorings on the other side of the Ala Wai (see Figure 2) was of concern to the DLNR, DAR representative. These moorings were meant to be used by smaller vessels to minimize anchor damage to coral reefs, but now these moorings are being used by larger vessels, and being put under strain during big surf. This is now both a resource protection and a safety issue.

## **2.2 Public Safety and Access**

### User Conflicts and Safety Issues

Focus Group members stated that some ocean recreation users are unclear about the location of ORMA use zones, and about expected etiquette in the ORMA in general. This is viewed as one factor that perpetuates user conflicts.

## **2.3 Commercial Ocean Recreation Activities**

### Surf School Regulation

Currently the DLNR issues blue card surf instructor permits but does not recognize surf schools. Focus Group participants mentioned a number of problems they feel are associated with the lack of regulation of surf schools. One is that there is currently no way to control business protocols affecting safety and the environment, such as student-to-instructor ratio, the maximum number of people per lesson and maximum number of lessons per day, and allowed days and locations of operation. It is also difficult to tell who's who out on the water because many surf schools do not use brightly colored rash guards.

There is some tension between surf schools and recreational surfers about overcrowding. One Focus Group participant commented that it seemed that commercial surf schools were everywhere. Most of the conflicts, though, appear to be occurring on land, not in the water. According to a Waikiki Advisory Group member there are problems with marketing on the beach--people are "getting bombarded." There are also reports of surf instructors yelling at and intimidating their students. Focus Group participants have also mentioned problems with surf instructor drug use, and of tours being led in inappropriate conditions (when the ocean is either too flat or too rough). Focus Group participants discussed the idea that it would be good to have some sort of uniform cease-and-desist policy dictating when to call off commercial ocean recreation activities based on

weather/hazardous conditions (such as during a high surf advisory). It was also stated, however, that the beach boys want to be able to decide this on their own.

The importance of protecting the tradition of Waikiki beach boys seems to be in conflict with the concern that some of these surf instructors would not be able to pass rigorous in-water licensing tests.

#### Permit Issuance

Focus Group participants were concerned that permits be administered under a uniform process, and that permits be distributed fairly. Knowing that carrying capacity can limit the number of permits available, the idea of using an on-line reservation system (similar to that developed by Na Ala Hele for use of commercial hiking trails) was discussed as a way of limiting the number of operators in an area without putting anyone out of business. One criticism of this idea was that with the variability of surf conditions commercial operators could not necessarily rely on using an area, even if it was reserved. This was mentioned by Focus Group participants as one major difference between ocean recreation and land-based recreation.

### **3. OTHER ISSUES OF CONCERN**

#### Land Ownership

Different departments within DLNR have jurisdiction over certain lands statewide. In Waikiki, the Land Division and DOBOR have jurisdiction over some land in Waikiki. Other entities, including the City and County and private landowners, also have jurisdiction over lands in Waikiki, further complicating the area's complex ownership laws. There are many complexities and restrictions involved which are beyond the scope of this report but which warrant further study.

#### Carrying Capacity

Focus Group participants expressed that a human use study of Waikiki is needed to better understand human use conflicts, the area's carrying capacity, and the historical context of use.

#### Fishery Management Area

According to the DLNR, DAR representative present at the Focus Group meeting, the fish population in the Waikiki-Diamond Head shoreline FMA is suffering from a number of problems such as habitat degradation and the impeding effect of infrastructure (e.g., walls and groins) on the potential of the seed bank.

The Marine Protected Areas are meant to enhance and restore the fish population. Marine protected areas can have a variety of benefits, but with respect to fishing they can (a) protect populations of larger, reproductive fish within their boundaries, (b) support fishing by "spillover" where (larger) fish from the reserve leave and get caught, and (c) support fishing by increasing recruitment. Studies have shown that there is more biomass in the Marine Life Conservation District, so it has accomplished (a). Additionally, tracking data has shown that fish (like omilu and weke) do leave the MLCD boundaries and so there is scientific evidence that (b) can occur. With regards to (c), pelagic spawning, the MLCD isn't going to seed the FMA in particular, because larvae and eggs are dispersed widely. However, given the larger sizes and numbers of uhu, omilu, weke,

kala, manini, etc., the area produces more eggs and larvae than surrounding areas. Even with these successes, Focus Group participants were concerned about poaching occurring in the no-take area and were concerned that the “derby mentality” (i.e. intense fishing pressure when the FMA is open) may offset the benefits of closures. The DAR is currently in dialogue internally to develop better alternatives.

#### Invasive Algae

Invasive algae was mentioned by Focus Group participants as a problem along this shoreline. Although the algae is not being spread by recreational users and therefore is out of the scope of this study, it is mentioned here because it is having a negative impact on their recreational experience.

#### **4. PROPOSED RECOMMENDATIONS FOR THE WAIKIKI FOCUS SITE**

Top priority recommendations for the Waikiki Focus Site and their expected outcomes are presented in the tables below. Suggestions in the “other recommendations” table are secondary in importance. The first three tables mirror the DLNR hierarchy of uses: Table 1 contains proposed recommendations for resource conservation, Table 2 contains proposed recommendations for the enhancement of public safety and access, and Table 3 contains proposed recommendations for control of commercial ocean recreation activities. The final table, Table 4, is a comparison of different commercial operator permit issuance systems.

**Table 1: Proposed Recommendations for Resource Conservation**

<b>Top Priority Recommendations</b>	<b>Expected Outcomes</b>
Conduct a status update of day use moorings just ‘Ewa of the Waikiki Focus Site.	<ul style="list-style-type: none"> <li>• The identification and replacement of buoys being used beyond capacity</li> <li>• Increased ocean recreation user safety</li> <li>• Decreased threat of reef impacts</li> </ul>

**Table 2: Proposed Recommendations for Enhancement of Public Safety and Access**

<b>Top Priority Recommendations</b>	<b>Expected Outcomes</b>
Create outreach materials to educate people about etiquette in these multiple use beach areas and to clarify the location of the ORMA use zones.	<ul style="list-style-type: none"> <li>• Better educated users resulting in higher levels of compliance and fewer ocean recreation user conflicts</li> </ul>
<b>Other Recommendations</b>	<b>Expected Outcomes</b>
Partner with non-profits to gather human use data at Waikiki.	<ul style="list-style-type: none"> <li>• Better understanding of peak use times/areas</li> <li>• A tool for helping to determine/modify carrying capacities and amount of allowable commercial activities</li> <li>• Serves as a yardstick for future comparison</li> <li>• A way to quantify the problem of overcrowding</li> </ul>
Clarify and standardize land use rules among DLNR departments that have jurisdiction over use of coastal lands and beaches (i.e. DOBOR, Land Division)	<ul style="list-style-type: none"> <li>• Will better inform the general public regarding these issues</li> <li>• Will aid enforcement efforts</li> </ul>

**Table 3: Proposed Recommendations for Commercial Ocean Recreation Activities**

<b>Top Priority Recommendations</b>	<b>Expected Outcomes</b>
<p>Create a new surf school permit. Conditions of the surf school permit could include a number of mandated safety and other protocols. For example:</p> <ul style="list-style-type: none"> <li>• Require pre-trip safety, environmental, and cultural briefings</li> <li>• Set safe student-to-instructor ratios</li> <li>• Set specific areas of operation</li> <li>• Set guidelines for hours of operation</li> <li>• Set guidelines for days of operation</li> <li>• Set guidelines for weather conditions under which lessons can/cannot be operated</li> <li>• Set the maximum number of students per lesson and the maximum number of lessons per day</li> <li>• Limit and stagger lesson times with other businesses to avoid congestion during peak use times</li> <li>• Create a way to identify students and instructors (e.g., through brightly colored rash guards)</li> <li>• Avoid added parking congestion by requiring operators to shuttle guests to surf lesson sites</li> <li>• Station additional personnel on shore with quick access to safety equipment, including a cell phone</li> <li>• Involve County Ocean Safety Officers in the permit creation process and involve officers on an ongoing basis to ensure safety protocols are addressed</li> </ul>	<ul style="list-style-type: none"> <li>• Increased standardization and level of professionalism within the surf school industry</li> <li>• Reduced conflicts between operators in part because of clear boundaries of operation</li> <li>• A clearer identification system for DOCARE to enforce permits and permit conditions</li> <li>• Increased safety</li> <li>• Increased natural and cultural resource protection.</li> </ul>
<p>Minimum qualifications for companies to be eligible for permits could include the following to address safety as well as standard business practices:</p> <ul style="list-style-type: none"> <li>• Current CPR, First Aid, Lifeguard, and other safety licenses for all surf school instructors</li> <li>• Liability insurance with the State listed as an additional insured</li> <li>• Tax clearance</li> <li>• Certificate of Good Standing from the Department of Commerce and Consumer Affairs</li> <li>• Submission of a Hawaii general excise tax license</li> <li>• Certificate of compliance from the Department of Labor and Industrial Relations</li> </ul> <p>Ideas for additional qualifications include:</p> <ul style="list-style-type: none"> <li>• Proven competency with the specific area for which the permit is valid (competency refers</li> </ul>	<ul style="list-style-type: none"> <li>• A streamlined permitting program</li> <li>• An increase in the level of professionalism within the industry</li> <li>• Increased ocean safety</li> <li>• Reduced liability</li> <li>• A narrowing of the pool of applicants to qualified individuals.</li> </ul>

<p>to knowledge of local currents, reef breaks, and other relevant conditions), although how this would be determined is unknown</p> <ul style="list-style-type: none"> <li>• A certain number of years of experience within the industry</li> </ul>	
Administer the new surf school permit with DOBOR staff	<ul style="list-style-type: none"> <li>• Successful implementation of the permit program</li> </ul>
Streamline the permit process so that activities occurring in dual jurisdictions (e.g. land-based surf instruction falling within the County's jurisdiction at a county beach park and in-water surf lessons falling within the State's jurisdiction) can be addressed in one permit process.	<ul style="list-style-type: none"> <li>• A more efficient process and will facilitate inter-jurisdiction communication.</li> <li>• Less frustration/confusion for the user group.</li> </ul>
Perpetuate the beach boy tradition by finding a way to honor the experience of the veteran surf instructor while addressing safety concerns	<ul style="list-style-type: none"> <li>• Honoring the culturally important beach boy tradition will show respect for the host culture.</li> </ul>
<p>Four options have been suggested by Focus Group members for how permits should be issued by DOBOR. It may be helpful to hold additional meetings with Focus Group participants to discuss the benefits and drawbacks of each of the following systems. In no particular order, they are:</p> <ol style="list-style-type: none"> <li>(1) Sealed bid system</li> <li>(2) Request for Proposal system</li> <li>(3) On-line reservation system</li> <li>(4) Non-transferable permits issued to all qualified existing businesses</li> </ol> <p>These are described in more detail in Table 4 below.</p>	<ul style="list-style-type: none"> <li>• The expected outcomes (in terms of "perceived benefits" and "perceived liabilities") of each of the four different systems are compared in Table 4 below</li> </ul>
Update licensing, permit, and equipment registration and renewal fees to better reflect the actual cost of the decals and of the administration of these programs.	<ul style="list-style-type: none"> <li>• Increased funding to go towards management of these licenses and permits</li> <li>• Hawaii's fees will be more in alignment with national standards.</li> </ul>
Increase DLNR's on-the-water enforcement presence and increase coordination between county lifeguards, DOCARE, and commercial ocean recreation operators so that everyone can act together if conditions become hazardous and so that existing laws can be enforced in a more timely manner.	<ul style="list-style-type: none"> <li>• A stronger enforcement presence should lead to improved enforcement success and higher levels of compliance</li> <li>• On-the-water patrols will reduce response time and increase safety for ocean users</li> </ul>

**Table 4: Comparison of Different Commercial Operator Permit Issuance Systems**

<b>Type of Permit Issuance System</b>	<b>Perceived Benefits</b>	<b>Perceived Liabilities</b>
<u>Sealed Bid System:</u> All qualified applicants meeting minimum requirements would submit sealed bids. Permits would be issued to the highest bidders.	<ul style="list-style-type: none"> <li>• A fair system for distributing a limited number of available commercial operator permits.</li> </ul>	<ul style="list-style-type: none"> <li>• Potential for existing businesses to be out-bid</li> </ul>
<u>Request for Proposals (RFP) System:</u> Proposals would be submitted and rated based on a number of factors, including prior business experience, business registration, operational procedures, and “bid” price.	<ul style="list-style-type: none"> <li>• Would allow for a more subjective review of qualifications beyond the fulfillment of basic requirements and amount of bid offered.</li> </ul>	<ul style="list-style-type: none"> <li>• Requires a more lengthy administration process</li> <li>• Review process could be criticized as subjective</li> </ul>
<u>On-line reservation system:</u> The system currently being used by Na Ala Hele Trails serves as a prototype for a way to limit the number of operators in a specific area without limiting the number of commercial operator permits issued. The on-line system would be on a first come, first served basis, but would not allow any particular company to sign up for too many areas.	<ul style="list-style-type: none"> <li>• Businesses would need to qualify</li> <li>• Will accommodate new business start ups as well as established businesses</li> <li>• Puts a ceiling on the number of commercial ocean recreation operations allowed in a particular area.</li> </ul>	<ul style="list-style-type: none"> <li>• Can not accommodate last minute bookings or changes in guest numbers</li> <li>• Does not accommodate sudden changes in weather or ocean conditions</li> </ul>
<u>Non-transferable permits to all existing businesses:</u> Instead of limiting the number of permits issued, non- transferable permits would be issued to all currently qualified existing businesses. Then, with attrition, some permits would expire so that the number of permits would eventually align with carrying capacity. This is being done by Maui County for their new permitting system.	<ul style="list-style-type: none"> <li>• All qualified, existing businesses can receive permits</li> </ul>	<ul style="list-style-type: none"> <li>• Does not accommodate new business start ups</li> <li>• Business permits cannot be transferred to family members</li> <li>• If attrition rates are slow then carrying capacity will not be met and overcrowding will occur</li> <li>• May not be appropriate for some overcrowded areas</li> </ul>